

1343

RECEIVED
LEGISLATIVE AUDITOR
06 JUN 30 PM 1:55

**DISTRICT ATTORNEY OF THE TWENTIETH
JUDICIAL DISTRICT**

EAST AND WEST FELICIANA PARISH, LOUISIANA

FINANCIAL REPORT

DECEMBER 31, 2005

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-26-06

W. Randall Peay, Ltd.

TABLE OF CONTENTS

	<u>Page</u>
<u>REQUIRED SUPPLEMENTARY INFORMATION - PART I</u>	
Management's Discussion and Analysis	1-6
<u>INDEPENDENT AUDITORS' REPORTS</u>	
Independent Auditors' Report	7-8
Report On Compliance And On Internal Control Over Financial Reporting Based On An Audit Of Financial Statements Performed In Accordance With Governmental Auditing Standards	9-10
<u>BASIC FINANCIAL STATEMENTS</u>	
Statement of Net Assets	11
Statement of Activities	12
Balance Sheet - Governmental Funds	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets	14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	15
Reconciliation of the Governmental Funds Statement of Revenues Expenditures, and Changes in Fund Balances to the Statement of Activities	16
Statement of Fiduciary Net Assets	17
Notes to Financial Statements	18-27

TABLE OF CONTENTS

	<u>Page</u>
<u>REQUIRED SUPPLEMENTARY INFORMATION - PART II</u>	
Budgetary Comparison Schedule - General Fund	28
Budgetary Comparison Schedule - Special Revenue Fund	29
<u>SUPPLEMENTAL INFORMATION</u>	
Schedule of Expenditures of Federal Awards	30
Schedule of Findings and Questioned Costs	31
Summary Schedule of Prior Audit Findings	32

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2005**

This section of the District Attorney's annual financial report presents our discussion and analysis of the District Attorney's financial performance during the fiscal year ended on December 31, 2005. Please read it in conjunction with the transmittal letter at the front of this report and the District Attorney's financial statements, which follow this section.

PAST ACCOMPLISHMENTS

During 2005 the District Attorney had the following:

- The District Attorney's office in East Feliciana Parish saw 629 criminal cases filed and 306 worthless checks processed for collection.
- The District Attorney's office in West Feliciana Parish saw 420 criminal cases filed and 100 worthless checks processed for collection.
- **GRANT PROGRAMS:**

THE KNOW THE LAW PROGRAM was a nine consecutive week program for the East Feliciana Parish seventh and eighth graders. Instructors consisted of local professionals from the judicial system and the local law enforcement agencies. This program helped reinforce the solid base of knowledge about the laws of our state.

THE IDENTITY THEFT PROGRAM allowed the District Attorney's office to educate and alert the citizens of East and West Feliciana Parish on identity theft. It also provided paper shredders to be set up at different locations for these citizens to utilize and destroy any of their personal information to avoid identity theft.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non major governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the District Attorney:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District Attorney's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District Attorney government, reporting the District Attorney's operations in more detail than the government-wide statements.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

December 31, 2005

- The governmental funds statements tell how general government services, like public safety, were financed in the short term as well as what remains for future spending.
- Fiduciary fund statements provide information about the financial relationships in which the District Attorney acts solely as agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Government-wide Statements

The government-wide statements report information about the District Attorney as a whole using accounting methods similar to those used by private-section companies. The statement of the net assets includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District Attorney's net assets and how they have changed. Net assets - the difference between the District Attorney's assets and liabilities - is one way to measure the District Attorney's financial position.

- Over time, increases or decreases in District Attorney's net assets are an indicator of whether its financial health is improving or deteriorating.
- To assess the overall health of the District Attorney you need to consider additional financial factors such as changes in the finances of the State of Louisiana and the parishes of East and West Feliciana.

The government-wide financial statements of the District Attorney consist of:

- Governmental activities - all of the District Attorney's basic services are included here, such as the public safety, and general administration.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2005**

Fund Financial Statements

The fund financial statements provide more detailed information about the District Attorney's most significant funds - not the District Attorney as a whole. Funds are accounting devices that the District Attorney used to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law.

The District Attorney has two kinds of funds:

- Governmental funds - Most of the District Attorney's basic services are included in the governmental funds, which focus on (1) how the other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District Attorney's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, I am providing additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- Fiduciary funds - I excluded these activities from the District Attorney's governmental-wide financial statements because the District Attorney cannot use these assets to finance its operations.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2005**

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY AS A WHOLE

Net Assets. The District Attorney's combined net assets were as follows. (See Table A-1.)

**Table A-1
District Attorney's Net Assets**

	Governmental Activities <u>2005</u>
Current and other assets	\$310,220
Capital assets	<u>105,077</u>
Total Assets	\$415,297
Current Liabilities	<u>2,674</u>
Total Liabilities	<u>\$ 2,674</u>
Net Assets	
Invested in capital assets	\$ 105,077
Unrestricted	<u>307,546</u>
Total Net Assets	<u>\$ 412,623</u>

Net assets of the governmental activities increased by \$56,558.

Governmental Activities

**Table A-2
Changes in District Attorney's Net Assets**

	Governmental Activities <u>2005</u>
Revenues	
Program revenues	
Charges for services	\$ 111,858
State grants and entitlements	675,576
Other	<u>3,861</u>
Total Revenues	\$791,295
Expenses	
General governmental	<u>\$729,282</u>
Total Expenses	<u>\$729,282</u>
Increase in net assets	<u>\$ 62,013</u>

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2005**

**Table A-3
Net Cost of District Attorney's Governmental Activities**

	Total Cost Of Services <u>2005</u>	Net Cost of Services <u>2005</u>
Public safety	\$594,612	\$ 45,731
IVD program	<u>134,670</u>	<u>12,421</u>
Total	<u>\$729,282</u>	<u>\$ 58,152</u>

FINANCIAL ANALYSIS OF THE DISTRICT ATTORNEY'S FUNDS

As the District Attorney completed the year, its governmental funds reported a combined fund balance of \$307,546.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2005, the District Attorney had invested \$105,077 in capital assets (See Table A-4)

**Table A-4
District Attorney's Capital Assets
(net of depreciation)**

	Governmental Activities 2005
Furniture and equipment	<u>\$105,077</u>
Total	<u>\$105,077</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The District Attorney is dependent on the State of Louisiana and the East and West Feliciana Parishes Police Juries for approximately 71 percent of its revenues. These entities receive a substantial part of their revenues from taxes. The economy is not expected to generate any significant growth. Therefore, the District Attorney's future revenues are expected to be consistent with the current years. The budget for the 2006 year is approximately the same as the year 2005.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
December 31, 2005**

CONTRACTING THE DISTRICT ATTORNEY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the District Attorney's finances and to demonstrate the District Attorney's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Samuel C. D'Aquila, District Attorney, 11651 Ferdinand.St., St. Francisville, Louisiana, 70775. .

INDEPENDENT AUDITORS' REPORTS

W. RANDALL PEAY, LTD.
(A Professional Accounting Corporation)

W. RANDALL PEAY
CERTIFIED PUBLIC ACCOUNTANT

POST OFFICE BOX 8344
CLINTON, LOUISIANA 70722
(225) 683-9515

Member:

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

Independent Auditor's Report

The Honorable Samuel D'Aquila
District Attorney of the
Twentieth Judicial District
Parishes of East and West Feliciana
State of Louisiana

I have audited the accompanying basic financial statements of the District Attorney of the Twentieth Judicial District, as of and for the year ended December 31, 2005. These basic financial statements are the responsibility of the office of the District Attorney of the Twentieth Judicial District. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the District Attorney of the Twentieth Judicial District, as of December 31, 2005, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America..

In accordance with Government Auditing Standards, I have also issued a report dated June 23, 2006, on my consideration of the District Attorney of the Twentieth Judicial District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

The management's Discussion and Analysis on pages 1 through 6 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

My audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and , in my opinion , is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Yours truly,

A handwritten signature in cursive script, appearing to read "W. Randall Peay, Ltd.", written in black ink.

W. Randall Peay, Ltd.
June 23, 2006

W. RANDALL PEAY, LTD.

(A Professional Accounting Corporation)

W. RANDALL PEAY

CERTIFIED PUBLIC ACCOUNTANT

POST OFFICE BOX 8344
CLINTON, LOUISIANA 70722
(225) 683-9515

Member:

American Institute of Certified Public Accountants
Society of Louisiana Certified Public Accountants

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Honorable Samuel D'Aquila
District Attorney of the
Twentieth Judicial District
Parishes of East and West Feliciana
State of Louisiana

I have audited the basic financial statements of the District Attorney of the Twentieth Judicial District, as of and for the year ended December 31, 2005, and have issued my report thereon dated June 23, 2006 which included an explanatory paragraph noting the adoption of Governmental Accounting Standards Board Statement No. 34. I have conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

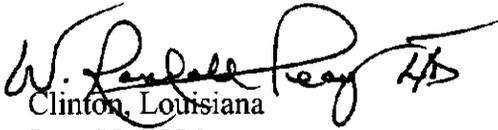
As part of obtaining reasonable assurance about whether the District Attorney of the Twentieth Judicial District's basic financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, with which noncompliance could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered the District Attorney of the Twentieth Judicial District, Parishes of East and West Feliciana, State of Louisiana's internal control over financial reporting in order to determine my auditing procedures for the purpose of expressing my opinion on the basic financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in

which the design or operation of one or more of the internal control components does not reduce to a relative low level the risk that misstatements in amounts that would be material in relation to the basic financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Legislative Auditor, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.. However, under Louisiana Revised Statute 24.513, this report is distributed by the Louisiana Legislative Auditor as a public document.


Clinton, Louisiana
June 23, 2006

BASIC FINANCIAL STATEMENTS

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT

STATEMENT OF NET ASSETS

DECEMBER 31, 2005

ASSETS

Cash and cash equivalents	\$143,400
Investments	138,796
Receivables	28,024
Capital assets, net of accumulated depreciation	<u>105,077</u>
TOTAL ASSETS	<u>415,297</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accrued payables	<u>2,674</u>
TOTAL LIABILITIES	2,674

NET ASSETS

Invested in capital assets	105,077
Unrestricted	<u>307,546</u>
TOTAL NET ASSETS	<u>\$412,623</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Expenses</u>	<u>Program Revenues</u>		<u>net (Expense) Revenue and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental unit</u>
<u>FUNCTIONS PROGRAMS</u>				
Governmental activities				
Public safety	\$594,612	\$111,858	\$528,485	\$45,731
Health and welfare	<u>134,670</u>	<u> </u>	<u>147,091</u>	<u>12,421</u>
Total governmental activities	<u>729,282</u>	<u>111,858</u>	<u>675,576</u>	<u>58,152</u>
General Revenues:				
Interest and investment earnings				3,236
Miscellaneous				<u>625</u>
Total general revenues and special items				<u>3,861</u>
Excess of revenues over expenses				62,013
Net assets - January 1, 2005				<u>350,610</u>
Net assets - December 31, 2005				<u>\$412,623</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2005

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<u>ASSETS</u>			
Cash and certificates of deposit	\$120,232	\$23,168	\$143,400
Accounts receivable			
Grants from Louisiana Department of Health and Hosptals		11,473	11,473
Investments	60,456	78,340	138,796
Other	16,551		16,551
	<u>197,239</u>	<u>112,981</u>	<u>310,220</u>
TOTAL ASSETS	<u>\$197,239</u>	<u>\$112,981</u>	<u>\$310,220</u>
<u>LIABILITIES AND FUND BALANCES</u>			
Liabilities			
Accounts payable	\$0	\$0	\$0
Accrued payables	1,788	886	2,674
	<u>1,788</u>	<u>886</u>	<u>2,674</u>
TOTAL LIABILITIES	<u>1,788</u>	<u>886</u>	<u>2,674</u>
Fund balances:			
Unreserved-undesignated	195,451	112,095	307,546
	<u>195,451</u>	<u>112,095</u>	<u>307,546</u>
TOTAL FUND BALANCES	<u>195,451</u>	<u>112,095</u>	<u>307,546</u>
TOTAL LIABILITES AND FUND BALANCES	<u>\$197,239</u>	<u>\$112,981</u>	<u>\$310,220</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2005

Total fund balances - Governmental Funds		\$307,546
Cost of captial assets at December 31, 2005	130,836	
Less: accumulated depreciation as of December 31, 2005	<u>(25,759)</u>	<u>105,077</u>
Total net assets at December 31, 2005 - Governmental Acitivites		<u>\$412,623</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2005

	General Fund	Special Revenue Fund	Total
<u>REVENUES</u>			
Fines and forfeitures	\$97,289		\$97,289
Interest	1,163	2,073	3,236
Intergovernmental revenue:			
Louisiana Department of Social Services		147,091	147,091
Supplemental salary and benefits	320,618		320,618
Parish police jury	11,376		11,376
State of Louisiana	25,000		25,000
Check collection fees	48,387		48,387
Pre-trial intervention fees	63,471		63,471
Narcotic seizure fees	3,360		3,360
Incentative payments	31,332		31,332
Grant income	39,510		39,510
Other	625		625
TOTAL REVENUES	642,131	149,164	791,295
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service	205,866	134,670	340,536
Supplemental salaries and benefi	320,618	0	320,618
Supplies and office	16,917	0	16,917
Other	38,738	0	38,738
Capital outlay	35,478		35,478
TOTAL EXPENDITURES	617,617	134,670	752,287
<u>EXCESS OF REVENUES OVER (UNDER)</u>			
<u>EXPENDITURES</u>	24,514	14,494	39,008
<u>OTHER FINANCIAL SOURCES (USES)</u>			
Operating transfers in			0
Operating transfers out			0
Total other financing sources (uses)	0	0	0
<u>EXCESS (DEFICIENCY) OF REVENUES</u>			
<u>AND OTHER SOURCES OVER</u>			
<u>EXPENDITURES AND OTHER USES</u>	24,514	14,494	39,008
Fund balances - beginning of year	88,288	97,601	185,889
Fund balances - end of year	\$112,802	\$112,095	\$224,897

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT

RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
DECEMBER 31, 2005

Excess (Deficiency) of Revenue and Other Sources Over Expenditures and Other Items		\$39,008
Capital Assets:		
Capital outlay capitalized	\$35,478	
Depreciation expense for year ended December 31, 2005	<u>(12,473)</u>	<u>23,005</u>
Changes in Net Assets - Governmental Activities		<u>\$62,013</u>

The accompanying notes are an integral part of this financial statement

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT

STATEMENT OF FIDUCIARY NET ASSETS

DECEMBER 31, 2005

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash and cash equivalents	<u>\$43,251</u>
TOTAL ASSETS	<u>\$43,251</u>
 <u>LIABILITIES</u>	
Due to other governmental units	<u>\$43,251</u>
TOTAL LIABILITIES	<u>\$43,251</u>

The accompanying notes are an integral part of this financial statement

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As provided by Article V, Section 26 of the Louisiana Constitution of 1974, the District Attorney has charge of every criminal prosecution by the State within his district, is the representative of the State before the grand jury in his district, is the legal advisor to the grand jury, and performs other duties as provided by law. The Twentieth Judicial District encompasses the parishes of East and West Feliciana, Louisiana.

This financial report has been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

The following is a summary of the District Attorney's significant policies:

A. Financial Reporting Entity

For financial reporting purposes, in conformance with GASB Codification Section 2100, the District Attorney of the Twentieth Judicial District (the District Attorney) is a part of the district court system in the State of Louisiana. However, the District Attorney operates autonomously from the State of Louisiana and independently from the district court system. Therefore, the District Attorney reports as a independent reporting entity.

As the governing authority of the parish, for reporting purposes, the East and West Feliciana Parish Police Juries is the financial reporting entity for the East and West Feliciana Parishes. The financial reporting entity consists of (a) the primary government of (Parishes), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusions would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Parishes for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the Parishes to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Parishes.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)

A. Financial Reporting Entity (continued)

2. Organizations for which the Parishes does not appoint a voting majority but are fiscally dependent on the Parishes.
3. Organizations for which the reporting entity's financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the East and West Feliciana Parish Police Juries provides a significant amount of financial revenues, the District Attorney was determined to be a component unit of the East and West Feliciana Police Juries, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the District Attorney and do not present information on the East and West Feliciana Parishes, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

The District Attorney is elected by the qualified electors of the judicial district for a term of six years.

B. Fund Accounting

The accounts of the District Attorney are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprises its assets, liabilities, fund equity, revenues, and expenditures. Revenues are accounted for in these individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The funds presented in the financial statements are described as follows:

Governmental Fund Type

General Fund

The General Fund was established in compliance with Louisiana Revised Statute 15:571.11, which provides that 12 % of the finds collected and bonds forfeited be transmitted to the District Attorney to defray the necessary expenditures of the District Attorney. The General Fund accounts for the operations of the District Attorneys' office.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)

B. Fund Accounting (continued)

Special Revenue Fund

The Special Revenue Fund consists of grants from the Louisiana Department of Social Services, authorized by Act 117 of 1975, to establish family and child support programs compatible with Title IV-D of the Social Security Act. The purpose of the fund is to enforce the support obligation owed by absent parents, to their families and children, to locate absent parents, to establish paternity, and to obtain family and child support.

Worthless Check Collection Fee Special Revenue Fund

The Worthless Check Collection Fee Special Revenue Fund consists of fees collected in accordance with R.S. 16:15, which provides for a specific fee whenever the district attorney's office collects and processes a worthless check. Expenditures from this fund are at the sole discretion of the district attorney and may be used to defray the salaries and the expenses of the office of the district attorney but may not be used to supplement the salary of the district attorney.

Fiduciary Fund Type

Agency Fund

Agency Funds are used to account for assets held by the Office of the District Attorney as an agent for other governments and/or other funds. The Agency Fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The District Attorney has established the following agency fund:

Narcotic Seizure Account

The District Attorney's Narcotic Seizure Account is used to account for assets awarded by court judgements as a result of seizures and forfeitures of property in successfully prosecuted narcotics and other criminal investigations. The proceeds are held in custody by the District Attorney for distribution as provided under applicable Louisiana Statutes.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

1. **SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)**

C. **Basis of Accounting/Measurement Focus**

The GWFS were prepared using economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB no. 33, Accounting and Financial Reporting for Non-exchange transactions.

Program Revenues

Program revenues included in the Statement of Activities derive directly from parties outside the District Attorney's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the District Attorney's general revenues.

Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets

Governmental and Agency Funds are accounted for on the modified accrual basis of accounting. Under this basis of accounting, revenues are recognized in the accounting period in which they become susceptible to accrual - that is, when they become measurable and available to pay current period liabilities. Commissions on fines and bond forfeitures are reported in the year they are collected by the tax collector. Grants and state appropriations are recorded when the District Attorney is entitled to the funds. Interest income on investments is recorded when earned. Substantially all other revenues are recorded when received.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

1. **SUMMARY OF SIGNIFICANT ACCOUNT POLICIES (continued)**

C. **Basis of Accounting/Measurement Focus (continued)**

Fund Financial Statements (FFS)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Costs of accumulated unpaid vacation, sick leave and other employee benefit amounts are reported in the period due and payable rather than the period earned by the employees, and general long-term obligations principal and interest payments are recognized only when due.

Transfers between funds that are not expected to be repaid are accounted for as other financing resources.

D. **Budgets and Budgetary Accounting**

The District Attorney follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with the Budget Act of the State of Louisiana, the District Attorney prepares operating budgets for the General and Special Revenue Funds at least fifteen days prior to the commencement of the budgetary fiscal year. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budgets are available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
3. The budgets are adopted at the public hearing and are authorized for implementation on the first day of the fiscal year.
4. The budgets are prepared on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
5. The budgets may be revised during the year as estimates regarding revenues and expenditures change.
6. Appropriations lapse at the end of each fiscal year.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Compensated Absences

On January 10, 2004, the District Attorney adopted a policy for leave benefits which allows a maximum of 10 days of vacation leave per calendar year to be earned. Upon termination, employees are paid for their unused vacation leave. Sick leave is allowed to accrue and accumulate, but not over 20 days. However, such sick leave benefits are payable only upon absence from work for medical reasons. Upon termination, accumulated sick leave lapses, and no payments are made for the unused accumulations. Under the leave policy adopted, accrual of unused vacation leave in the financial statements is required in accordance with GASB Statement No. 16. However, accrual of unused sick leave is not required since the amount accumulated lapses upon termination.

F. Cash and Certificates of Deposits

Cash includes amounts in demand deposits, interest-bearing deposits, and money market accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the district attorney may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law, and national banks having their principal office in Louisiana.

G. Capital Assets

All capital assets are capitalized at historical cost, or estimated historical costs for assets where actual cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The District Attorney maintains a threshold level of \$500 or more for capitalizing assets.

Capital assets are recorded in the GWFS, but are not reported in the FFS. All capital assets are depreciated using the straight-line method over their estimated useful lives. Since surplus assets are sold for an immaterial amount when declared as no longer needed by the District Attorney, no salvage value is taken into consideration for depreciation purposes. Useful lives vary from 5 to 7 years.

H. Operating Transfers In and Out

Advances between funds which are not expected to be repaid are accounted for as transfers. In those cases where repayment is expected, the transfers are accounted for through the various due from and due to accounts.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

I. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

2. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended December 31, 2005 are as follows:

	<u>Furniture and Equipment</u>
Cost of capital assets December 31, 2004	\$95,359
Additions	<u>35,477</u>
Cost of capital assets December 31, 2005	<u>\$130,836</u>
Accumulated depreciation, December 31, 2004	13,286
Additions	<u>12,473</u>
Accumulated depreciation, December 31, 2005	<u>\$25,759</u>
Capital assets, net of accumulated depreciation, at December 31, 2005	<u>\$105,077</u>

Depreciation expense of \$12,473 for the year ended December 31, 2005 was charged to the following governmental functions:

Public service	\$10,827
Title IV-D	<u>1,646</u>
	<u>\$12,473</u>

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

3. RETIREMENT SYSTEMS

The District Attorney and Assistant District Attorneys, whose salaries are paid by the State of Louisiana, and the Office of the District Attorney, are members of the Louisiana District Attorneys' Retirement System. This retirement system is a multiple cost sharing, statewide public employees retirement system administered and controlled by a separate board of trustees.

Pertinent information relevant to each plan follows:

1. Louisiana District Attorneys' Retirement System (LDARS)

Plan Description: The LDARS provides retirement benefits as well as disability and survivor benefits. Benefits are established and amended by state statute. The LDARS issues a publicly available financial report that includes financial statements and required supplementary information for the LDARS. That report may be obtained by writing to the Louisiana District Attorneys' Retirement System, 1645 Nicholson Drive, Baton Rouge, Louisiana 70802, or by calling (225) 267-4824.

Funding Policy: Plan members are required to contribute 7.00 percent of their annual covered salary and the district attorney is required to contribute at an actuarially determined rate of 6.00 percent. Member contributions and employer contributions for the LDARS are established by state law and rates are established by the Public Retirement Systems' Actuarial Committee. Employee contributions for 2005 were \$4,072.

5. ON-BEHALF PAYMENTS FOR SALARIES AND FRINGE BENEFITS

For the year ended December 31, 2005, the District Attorney recorded on-behalf payments for salary and benefits from the following sources:

East and West Feliciana Parish Police Juries Salaries and Benefits	<u>\$108,568</u>
State of Louisiana Salaries and Benefits	<u>\$212,050</u>

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

6. **CASH AND CERTIFICATES OF DEPOSIT**

At December 31, 2005, the carrying amount of the District Attorney's deposits was \$325,447 and the bank balances were \$336,076. The bank balances were covered by federal depository insurance and \$78,340 was covered by collateral held by the pledging bank's agent in the District Attorney's name.

7. **INVESTMENTS**

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the district attorney's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

The following investments are certificates of deposits with maturities that exceed 90 days:

General Fund	\$60,456
IV-D Fund	<u>78,340</u>
Total	<u>\$138,796</u>

8. **FEDERAL FINANCIAL ASSISTANCE PROGRAM**

The District Attorney participates in the United States Department of Health and Human Services Child Support Enforcement, Title IV-D Program, Catalog of Federal Domestic Assistance No. 93.563. This program is funded by indirect assistance payments, in the form of both incentive payments and reimbursements of a portion of certain expenditures, received from the Louisiana Department of Social Services. Beginning July 1998, the State eliminated incentive payments and began paying 100% of reimbursement requests. For the year ended December 31, 2005 the District Attorney for the Twentieth Judicial District expended \$134,670 in reimbursement payments.

The reimbursement payments are restricted by a formal agreement between the District Attorney and Department of Social Services and includes a budget of expected expenditures for each fiscal year ending June 30. The District Attorney submits reimbursement requests to the Department of Social Services on a monthly basis.

There are no restrictions on how incentive payments may be expended, except as may be required by state law for any other funds of the District Attorney. In 2005 the District Attorney expended \$31,332 in one time incentive payments to acquire other office equipment. However, these payments, as well as the reimbursement payments, may be subjected to further review and audit by the federal grantor agency. No provision has been made in the financial statements for the reimbursement of any expenditures that may be disallowed as a result of such a review or audit.

District Attorney of the Twentieth Judicial District
Notes to Financial Statements
December 31, 2005

9. **RECEIVABLES**

The receivables at December 31, 2005 are as follows:

Class of Receivables	<u>General Fund</u>	<u>IV-D Fund</u>
Fines & Court Costs	\$7,482	
Bail Bond Fees	2,663	
DA Fees	5,458	
Other	948	
Incentive Payments	<u>0</u>	<u>\$11,473</u>
	<u>\$16,551</u>	<u>\$11,473</u>

10. **LEASES**

The District Attorney's office leases copier equipment for use in the Clinton and St. Francisville offices. In February 2005 the District Attorney bought these copiers for \$15,630 with funds provided from IV-D incentive payments.

11. **RELATED PARTY TRANSACTIONS**

There are no transactions that require disclosure.

12. **LITIGATION AND CLAIMS**

The District Attorney's office is involved in a dispute over an amount due on the lease of a copier. The District Attorney expects a favorable settlement.

13. **RISK MANAGEMENT**

The District Attorney's office is exposed to various risks of loss including injuries to workers, criminal or property damage, theft and other possible related claims. The District Attorney purchases commercial insurance to minimize this risk of loss from these types of occurrences.

REQUIRED SUPPLEMENTARY INFORMATION

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	Final	Actual	Variance with Final Budget Favorable (Unfavorable)
<u>REVENUES</u>			
Fines and forfeitures	\$96,000	\$97,289	\$1,289
Interest	500	1,163	663
Intergovernmental revenue:			
Supplemental salary and benefits	320,618	320,618	0
Parish police jury	11,376	11,376	0
State of Louisiana	25,000	25,000	0
Check collection fees	19,200	48,387	29,187
Pre-trial intervention fees	47,500	63,471	15,971
Narcotic seizure fees	12,000	3,360	(8,640)
Incentive payment	31,332	31,332	0
Grants	40,000	39,510	(490)
Other	0	625	625
	TOTAL REVENUES	642,131	38,605
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service	96,240	132,749	(36,509)
Supplemental salaries benefit	320,618	320,618	0
Supplies and office	27,600	55,655	(28,055)
Other	74,046	73,117	929
Capital outlay	25,000	35,478	(10,478)
	TOTAL EXPENDITURES	617,617	(74,113)
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>			
	60,022	24,514	(35,508)
<u>OTHER FINANCIAL SOURCES (USES)</u>			
Operating transfers in			0
Operating transfers out			0
Total other financing sources (uses)	0	0	0
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>			
	60,022	24,514	(35,508)
<u>FUND BALANCES</u>			
Beginning of year	88,288	88,288	0
End of year	<u>\$148,310</u>	<u>\$112,802</u>	<u>(\$35,508)</u>

The accompanying notes are an integral part of this financial statement

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>Final</u>	<u>Actual</u>	Variance with Final Budge Favorable (Unfavorable)
<u>REVENUES</u>			
Interest	0	2,073	\$2,073
Intergovernmental revenue:			
Louisiana Department of Social Services	<u>147,401</u>	<u>147,091</u>	<u>(310)</u>
TOTAL REVENUES	<u>147,401</u>	<u>149,164</u>	<u>1,763</u>
<u>EXPENDITURES</u>			
General Government:			
Current operating:			
Personnel service	<u>147,401</u>	<u>134,670</u>	<u>12,731</u>
TOTAL EXPENDITURES	<u>147,401</u>	<u>134,670</u>	<u>12,731</u>
<u>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</u>			
	<u>0</u>	<u>14,494</u>	<u>14,494</u>
<u>OTHER FINANCIAL SOURCES (USES)</u>			
Operating transfers in			0
Operating transfers out			0
Total other financing sources (uses)	<u>0</u>	<u>0</u>	<u>0</u>
<u>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES</u>			
	0	14,494	14,494
<u>FUND BALANCES</u>			
Beginning of year	<u>91,849</u>	<u>97,601</u>	<u>0</u>
End of year	<u>\$91,849</u>	<u>\$112,095</u>	<u>\$14,494</u>

The accompanying notes are an integral part of this financial statement

SUPPLEMENTAL INFORMATION

DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2005

Federal Grantor Pass-through Grantor Program Title	Federal CFDA Number	Pass-through Entity's Identifying Number	Federal Expenditures
U. S. Department of Health and Human Services Passed through the Louisiana Department of Social Services			
Child Support Enforcement Title IV-D	93.563	DDS # 02148	\$166,002
Victims of Crime Act Elderly Services Program	16.575		\$41,010
Juvenile Accountability Incentive Block Grant	16,523		\$10,734

Note A - Basis of Presentation

The schedules of expenditures of federal awards include the federal grant activity of the District Attorney of the Twentieth Judicial District and are presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements, Audits of States, Local Governments, and Non-Profit Organizations.

Note B - Reconciliation to Financial Statements

The expenditures for the Title IV-D program are reported on the Statement of Revenue, Expenditures, and changes in Fund Balances as expenditures.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

SUMMARY OF AUDIT RESULTS

1. The auditors report expresses an unqualified opinion on the basic financial statements of the District Attorney of the Twentieth Judicial District.
2. No instances of noncompliance material to the financial statements of the District Attorney of the Twentieth Judicial District were disclosed during the audit.
3. No reportable conditions were disclosed during the audit of the IVD federal award programs.
4. There were not any audit findings relative to the IVD federal award program.
5. The program tested was Title IV-D, CFA Number 93.563.
6. The threshold for distinguishing Types A and B programs was \$500,000.
7. The District Attorney of the Twentieth Judicial District was not determined to be a low-risk auditee.

FINDINGS - FINANCIAL STATEMENT AUDIT

REPORTABLE CONDITIONS: None

FINDINGS AND QUESTIONED COSTS - IVD FEDERAL AWARD PROGRAMS

None.

**DISTRICT ATTORNEY OF THE TWENTIETH JUDICIAL DISTRICT
St. Francisville, Louisiana**

**Summary Schedule of Prior Audit Findings
For the Year Ended, December 31, 2005**

<u>Ref. No.</u>	<u>Fiscal Year Finding Initially Occurred</u>	<u>Description of Finding</u>	<u>Planned Corrective Action/Partial Corrective Action Taken</u>
-----------------	---	-------------------------------	--

Section 1 - Internal Control and Compliance Material to the Financial Statements

None

Section II - Internal Control and Compliance Material to the Federal Audits

None

Section III - Management Letter

None